12TH ANNUAL REPORT
OF THE
PRINCE EDWARD ISLAND
LOTTERIES COMMISSION

FOR THE FISCAL YEAR
ENDING MARCH 31, 1988

CONTENTS

ITEM	PAGE NO.
Letter of Committal from the Chairman to the Minister of Finance	2
Annual Report of the P.E.I. Lotteries Commission for the period 1 April 1987 to 31 March 1988	3
A. Detailed Statement of Income and Disbursements for FY1987/88	6
B. Auditor's Report (Financial Statements) for FY 1987/88	10

Prince Edward Island
LOTTERIES COMMISSION

Post Office Box 2000
Charlottetown
Prince Edward Island
Canada C1A 7N8

31 December 1988

Minister of Finance
Shaw Building
Provincial Administrative Buildings
Charlottetown
Prince Edward Island
C1A 7N8

Sir;

In accord with subsection 14(1) of the **Lotteries Act** [RSPEI 1974, cap. L-21.1], I hereby convey the report of the operations of the Prince Edward Island Lotteries Commission for the Fiscal Year ending 31 March 1988.

Yours truly,

(signed)

Honourable Gilbert R. Clements
Chairman
Prince Edward Island Lotteries Commission

PRINCE EDWARD ISLAND LOTTERIES COMMISSION

ANNUAL REPORT

for the Fiscal Year ending 31 March 1988

1. COMMISSION ESTABLISHED:

The Lotteries Act (L.P.E.I. 1976, Cap. 20), enacted by the Legislative Assembly at its 1976 Session and given Royal Assent on 22 April 1976, provided for the establishment of a P.E.I. Lotteries Commission. The Act was proclaimed via Order-in-Council No. EC673/76 for effect on 24 July 1976.

2. MINISTER RESPONSIBLE AND OFFICERS:

In constituting the P.E.I. Lotteries Commission, the Lieutenant Governor in Council made the following appointments; Mr. Clements became Chairman of the Commission on his appointment as Minister of Finance on 2 May 1986.

2.1 Minister Designated as Responsible for the Administration of the Act (current):

(via EC750/82 of 28 October 1982)

Minister of Finance

2.2 Chairman of the Commission:

(via EC185/86 of 2 May 1986)

Hon. Gilbert R. Clements

2.3 Vice-Chairman of the Commission:

(via EC849/83 of 3 November 1983)

W. Philip MacDougall

The Commission, at its first meeting, appointed the remaining Member of the Commission, the Clerk of the Executive Council (presently, D. B. Boylan), as Secretary-Treasurer.

3. BYLAWS OF THE COMMISSION:

In addition to the requirements of the Lotteries Act, the Commission is governed by its Bylaws which were approved by the Lieutenant Governor in Council on 26 August 1976 via EC794/76.

4. AGREEMENTS:

As provided in section 7 of the Act, subsections (b) and (c), the Commission recommended two agreements for the consideration of the Lieutenant Governor in Council, both of which were approved and subsequently entered into by the Commission.

4.1 via EC796/76 of 26 August 1976, an agreement with the Provinces of Nova Scotia, New Brunswick and Newfoundland to establish and operate a regional lottery.

4.2 via EC797/76 of 26 August 1976, an agreement for the establishment of the Atlantic Lottery Corporation.

5. LOTTERIES OPERATED OR SANCTIONED:

The P.E.I. Lotteries Commission did not operate any lotteries during the Fiscal Year 1987/88. Eight lottery games sanctioned by the Commission were in operation during the fiscal year: A-Plus, Provincial, Super Loto, Loto 50, Loto 6/49, various "instants", Pik 4 and Breakopen.

6. ATLANTIC LOTTERY CORPORATION:

By motion of the Commission, W. Philip MacDougall and D. B. Boylan were named as the two P.E.I. Directors of the Atlantic Lottery Corporation and Mr. Boylan continued as a Director of the Interprovincial Lottery Corporation. The Directors attended various meetings of the Corporation throughout the fiscal year ending 31 March 1988.

In particular, the P.E.I. Lotteries Commission extends its appreciation to the General Manager of Atlantic Loto, Cluny MacPherson, for his continuing effort in the operation and management of our regional lottery.

7. MEETINGS OF THE COMMISSION:

During the Fiscal Year ended 31 March 1988, the Commission held meetings on: 4 May, 23 July and 29 September of 1987, and on 11 January and 15 March 1988.

8. FINANCIAL REPORT:

For the Fiscal Year ending 31 March 1988, the P.E.I. Commission was allocated profits by the Atlantic Lottery Corporation of $3,246,183.03, an increase of $77,466 over the March 31, 1987 profit of $3,168,717.

A review of the financial statements shows an accounts

receivable from the Atlantic Lottery Corporation of $434,991,35. This amount consists of $272,035.24 in 1987/88 profits remitted early in 1988/89 and an amount of $162,956.11 which represents the Equity Investment in the fixed assets of the Corporation that is held by the Commission.

APPENDIX A

PRINCE EDWARD ISLAND

LOTTERIES COMMISSION

DETAILED
STATEMENT OF
INCOME AND DISBURSEMENTS
FOR THE FISCAL YEAR

1 April 1987 through 31 March 1988

DATE	FROM	AMOUNT
1987		
23 April	Atlantic Lottery Corporation (profit distribution)	$214,830.23
19 May	Atlantic Lottery Corporation (profit distribution)	285,549.74
19 June	Atlantic Lottery Corporation (profit distribution)	273,395.52
21 July	Atlantic Lottery Corporation (profit distribution)	224,189.58
25 August	Atlantic Lottery Corporation (profit distribution)	231,518.57
18 September	Atlantic Lottery Corporation (profit distribution)	260,949.65
16 October	Atlantic Lottery Corporation (profit distribution)	270,704.46
20 November	Atlantic Lottery Corporation (profit distribution)	274,525.77
21 December	Atlantic Lottery Corporation (profit distribution)	278,446.76
1988		
18 January	Atlantic Lottery Corporation (profit distribution)	303,092.62
22 January	Bank Interest	1.24
15 February	Bank Interest	1.19

26 February	Atlantic Lottery Corporation (profit distribution)	271,061.46
29 February	Bank Interest	315.66
15 March	Bank Interest	.93
22 March	Atlantic Lottery Corporation (profit distribution)	183,233.20
	TOTAL REVENUE:	$3,071,816.58

8. EXPENDITURES

DATE	FAVOUR OF	AMOUNT
1987		
23 April	Minister of Finance (Consolidated Revenue Fund)	$214,830.23
19 May	Minister of Finance (Consolidated Revenue Fund)	285,549.74
19 June	Minister of Finance (Consolidated Revenue Fund)	273,395.52
21 July	Minister of Finance (Consolidated Revenue Fund)	224,189.58
25 August	Minister of Finance (Consolidated Revenue Fund)	213,518.57
18 September	Minister of Finance (Consolidated Revenue Fund)	260,949.65
16 October	Minister of Finance (Consolidated Revenue Fund)	270,704.46
20 November	Minister of Finance (Consolidated Revenue Fund)	292,503.04
21 December	Minister of Finance (Consolidated Revenue Fund)	278,446.76
1988		
18 January	Minister of Finance (Consolidated Revenue Fund)	303,092.62
18 January	Bank Charge	1.31
25 January	Carter & Co. Ltd. (stationery)	35.75
15 February	Bank Charge	1.37
26 February	Minister of Finance (Consolidated Revenue Fund)	271,061.46
29 February	Bank Charge	5.24
15 March	Bank Charge	1.31

22 March	Minister of Finance (Consolidated Revenue Fund)	183,233.20
	TOTAL EXPENDITURES	$3,071,519.81

APPENDIX B

AUDITOR GENERAL

CHARLOTTETOWN

PRINCE EDWARD ISLAND

PRINCE EDWARD ISLAND LOTTERIES COMMISSION

FINANCIAL STATEMENTS

MARCH 31, 1988

AUDITOR GENERAL

CHARLOTTETOWN

PRINCE EDWARD ISLAND

AUDITOR'S REPORT

To the Members of the
Prince Edward Island Lotteries Commission

I have examined the balance sheet of the Prince Edward Island Lotteries Commission as at March 31, 1988 and the statement of financial activities for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Commission as at March 31, 1988 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

J. Wayne Murphy, C.A.
Auditor General

Charlottetown, Prince Edward Island
November 10, 1988

STATEMENT 1

PRINCE EDWARD ISLAND LOTTERIES COMMISSION

BALANCE SHEET

MARCH 31, 1988

(with comparative figures at March 31, 1987)

ASSETS

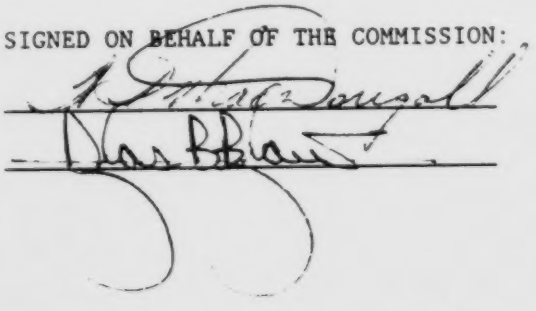
	1988	1987
Cash	$ 474	$ 177
Accounts receivable - Atlantic Lottery Corporation Inc. - Note 1	434,992	260,306
Share in Atlantic Lottery Corporation Inc. - at cost	100	100
Share in Interprovincial Lottery Corporation - at cost	1	1
	$435,567	$260,584

LIABILITIES

Due to Province of Prince Edward Island Consolidated Fund	$435,567	$260,584
	$435,567	$260,584

(Notes 1 and 2 are an integral part of these financial statements)

SIGNED ON BEHALF OF THE COMMISSION:



STATEMENT 2

PRINCE EDWARD ISLAND LOTTERIES COMMISSION

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED MARCH 31, 1988

(with comparative figures for the year ended March 31, 1987)

	1988	1987
INCOME		
Distribution of Atlantic Lottery Corporation's Net profit - Note 2	$3,246,183	$3,168,717
Interest Income	319	-
	3,246,502	3,168,717
EXPENSES		
Bank Charges, Stationary and Supplies	45	10
Net Income before remittance to Province	$3,246,457	$3,168,707
Contribution to Prince Edward Island Consolidated Fund	$3,246,457	$3,168,707

(Notes 1 and 2 are an integral part of these financial statements)

PRINCE EDWARD ISLAND LOTTERIES COMMISSION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 1988

1. Included in Accounts Receivable is $162,956 which represents the Province's investment in net fixed assets of the Atlantic Lottery Corporation Inc.

2. Income of the Commission is Prince Edward Island's share of the profit of the Atlantic Lottery Corporation Inc. The distribution of profit to each province is based on the percentage of ticket sales in that province.